



PUBLIC NOTICE

Federal Communications Commission
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APPLICATION FILED FOR THE TRANSFER OF CONTROL OF TELECOM ARGENTINA USA, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 11-125

Comments Due: September 21, 2011
Reply Comments Due: September 28, 2011

On July 15, 2011, Telecom Argentina USA, Inc. (Telecom Argentina USA) filed an application, pursuant to section 63.03 of the Commission's rules,¹ requesting authority for a transfer of control that took place without Commission consent in April 2009.

Telecom Argentina USA, a Delaware corporation providing interstate pre-paid card services throughout the U.S., is a wholly-owned subsidiary of Telecom Argentina S.A. Telecom Argentina S.A. in turn is controlled by Nortel Inversora S.A., which is controlled by Sofora Telecomunicaciones S.A. (Sofora). All of these entities, except Telecom Argentina USA, have Argentina citizenship. Prior to the transaction that is the subject of this application, control over Telecom Argentina USA was held by Telecom Italia S.p.A. (TI), an Italian company, and its controlled company, Telecom Italia International NV (TII), a Dutch holding company (TI and TII, the Telecom Italia Group), with the Telecom Italia Group indirectly holding 50 percent of the equity of Telecom Argentina USA, and W de Argentina – Inversiones, S.L. (W de Argentina), a Spanish limited liability company, holding 48 percent.² On April 17, 2009, W de Argentina's ownership interest in Telecom Argentina USA increased to 50 percent when it acquired a two percent interest held by France Telecom.³ Telecom Argentina USA states that it did not file a domestic section 214 transfer of control application at the Commission at that time.⁴

¹ 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Telecom Argentina USA is also filing applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications. Telecom Argentina USA filed supplements to its domestic section 214 application on July 25 and 26 and August 22, 2011.

² The Telecom Italia Group and W de Argentina hold their interests through Sofora. After the transaction at issue in this application, Sofora owned 67.79 percent of the capital of Nortel Inversora S.A., which owned 54.74 percent of the capital of Telecom Argentina S.A., which in turns holds 100 percent of the shares of Telecom Argentina USA.

³ Applicants state that, subsequent to the two percent increase, the Telecom Italia Group increased its ownership of Sofora to 58 percent by purchasing equity held by W de Argentina, with the remaining 42 percent retained by W de Argentina. This subsequent transfer occurred on October 13, 2010. On March 9, 2011, Telecom Italia Group increased its share ownership in Sofora to 68 percent by purchasing equity held by W de Argentina, with the remaining 32 percent held by W de Argentina. Telecom Argentina USA filed a domestic section 214 application on

TI provides telecommunications services in the U.S. through its affiliate, Telecom Italia Sparkle of North America Inc. Telco S.p.A. (Telco), an Italian company, holds an approximate 24.5 percent interest in TI. Applicants state that, as of April 1, 2009, Telco was owned by Generali Group (28.1 percent), Intesa Sanpaolo S.p.A. (10.6 percent), Mediobanco S.p.A. (10.6 percent), all Italian entities, Sintonia S.A. (8.4 percent), a Luxembourg entity, and Telefonica S.A. (42.3 percent), a Spanish telecommunications company with no 10 percent or greater shareholders. W de Argentina is owned in equal shares by four individuals, all citizens of Argentina: Daniel Werthein, Adrian Werthein, Gerardo Werthein, and Dario Werthein. W de Argentina has no other telecommunications affiliates operating in the U.S. Applicants state that no other person or entity owns directly or indirectly at least 10 percent of the equity of Telecom Argentina USA. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁵

Domestic Section 214 Application Filed for the Transfer of Control of Telecom Argentina USA, Inc., WC Docket No. 11-125 (filed July 15, 2011).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before September 21, 2011**, and reply comments **on or before September 28, 2011**. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.⁶ Comments should be filed using the Commission's Electronic Comment Filing System (ECFS). See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/>.

In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;

November 18, 2010 to request authority for Telecom Italia S.p.A. to increase its indirect ownership from 50 percent to 58 percent. On July 11, 2011, Telecom Argentina USA filed a letter stating that it would withdraw the application because the transaction was *pro forma* under the Commission's rules. Letter from Stephen L. Goodman, Counsel for Telecom Argentina USA, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket No. 10-242 (filed July 11, 2011). See 47 C.F.R. § 63.03(d).

⁴ Telecom Argentina USA also filed a request for special temporary authority (STA) to allow it to continue to provide service to customers while its section 214 application is pending. On August 4, 2011, the Wireline Competition Bureau granted the STA for the domestic authorization for a period of 60 days. A grant of the application will be without prejudice to any enforcement action by the Commission for non-compliance with the Communications Act of 1934, as amended, or the Commission's rules. Letter from Stephen L. Goodman, Counsel for Telecom Argentina USA, Inc., to Marlene H. Dortch, Secretary, FCC, WC Docket Nos. 10-242 and 11-125 (filed July 7, 2011).

⁵ 47 C.F.R. § 63.03(b)(2)(i).

⁶ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- 2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 3) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 4) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 5) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson at (202) 418-1394 or Jodie May at (202) 418-0913.

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